

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to address the committee on the emerging aquaculture industry in Minnesota. My name is Harold Stanislawski, Business Development Director for the Agricultural Utilization Institute often known as AURI. AURI's mission is to foster long-term economic development for the state through value-added agricultural products.

Last year AURI released its Aquaculture report Entitled "Minnesota Aquaculture – Challenges and Opportunities" that outlines many of the elements an Aquaculture industry in our state will need to address. The report also identifies several significant hurdles. These include pairing species with effective production systems, developing disease management protocols, identifying cost effective fishmeal alternatives, navigating complex and changing regulatory systems, having access to meaningful (consumer?) market and value-added research, obtaining investment capital and/or debt financing and establishing economically viable operations.

AURI is engaged with the Aquaculture industry by finding value-added markets for locally raised fish and valorizing seafood waste, such as using it for high value organic fertilizer, innovative fish food products, and other future high value opportunities. Aquaculture also offers opportunities to utilize by- products from bio-fuel production, like soy meal and distillers dried grains for fish feed, industrial heat and hot water for indoor aquaculture, as well as aquaponics production. Thus, aquaculture can support and contribute to the state's entrepreneurial, **rural and innovative agricultural economy**. AURI looks forward to assisting MN businesses with this kind of development which we believe will see meaningful growth.

AURI supports and is an advocate for the efforts of the Minnesota Aquaculture Association to develop an Aquaculture Strategic Plan that will guide and support the industry in the years ahead in concert with our state regulatory partners. Input from stakeholders represented here today and others who will provide best practices for the plan is crucial to having an industry that can grow, innovate, understand regulations, be in step with the marketplace and the consumer, and attract investment into this industry in the Land of 10,000 lakes.

Thank you for the opportunity to address the committee.